

**OFFICE OF SUPERINTENDENT OF SCHOOLS****Shannon L. Welsh, Ed.D., Superintendent of Schools****UNION #30****DURHAM, LISBON**

March 26, 2008

Susan Gendron, Commissioner  
Department of Education  
State House Station 23  
Augusta, ME 04333-0023

**Re: School Reorganization Plan**

Dear Commissioner Gendron:

The School Administrative Units of Lisbon and MSAD #75 have spent extensive time and effort since summer 2007 to consider consolidation and to develop a school reorganization plan. A draft of our plan containing elements agreed to at that time was submitted for your review on December 1, 2007.

Since that time, we have finalized our plan and held public informational meetings on the plan. On Monday, March 17, 2008, the Lisbon School Committee voted to approve the following motion:

That the provisions included in the school reorganization plan prepared by the Lisbon/MSAD #75 Reorganization Planning Committee to reorganize Lisbon School Department and MSAD #75 into a regional school unit with an operational date of July 1, 2009, are determined to be necessary within the meaning of Section XXX-36(5)(M) and that the Superintendent of Schools be, and hereby is, authorized and directed to submit the school reorganization plan to the Commissioner of Education on behalf of this school administrative unit March 28, 2008.

Both Lisbon and MSAD 75 are facing significant reductions in state subsidy for education for the 2008-2009 school year. Consolidation will require an interim budget for the 2008-2009 budget year as there would essentially be three systems in place: Lisbon, MSAD #75, and the RSU. In addition, consolidation will limit MSAD 75's use of their fund balance because they will need to use those funds for some existing financial liabilities. Understandably, this short-term financial impact had to be considered by the MSAD #75 Board of Directors as they made their final decision regarding consolidation. Unfortunately, MSAD #75 considered action on this same motion at their meeting on March 20, 2008 and felt compelled to defeat the motion due to the potential impact on the 08-09 budget and to local taxpayers.

**Request for Exception:** The Lisbon School Committee voted to authorize and direct me to submit our Lisbon/MSAD #75 final reorganization plan which is attached to this letter. Lisbon has done extensive due diligence with MSAD #75 as well as with surrounding systems. As a result of this due diligence and additional local efforts, we would like to request designation as a doughnut hole exception. We offer the following supporting information to justify a “Doughnut hole” exception.

**“Doughnut hole:”** SAUs exercising due diligence with respect to consolidation but experiencing rejection by all other surrounding districts to be included in consolidation will not be penalized if their plan documents efforts to consolidate and the plan includes alternative ways of meeting efficiencies. (DOE website: <http://www.maine.gov/education/reorg/lawsummary.html>)

- A. **MSAD #75:** Lisbon and MSAD #75 submitted and received an approved Notice of Intent. As noted previously, Lisbon met from July 2007-March 2008 with MSAD #75 representatives both informally and through a formal Reorganization Planning Committee. A final plan was prepared and it was anticipated this final plan would be submitted to the DOE for Commissioner’s consideration by the March 28, 2008 deadline. The Lisbon School Committee voted to approve submission of the plan at their public meeting on March 17, 2008. In the final weeks of our work, immediate financial considerations impacted MSAD #75’s 08-09 budget. The MSAD #75 Board of Director’s felt compelled to reject Lisbon as a consolidation partner due to short-term financial issues.
- B. **Union 44:** Lisbon requested financial analysis from the DOE during summer 2007 in an effort to determine feasibility of consolidation partners. The DOE’s analysis of consolidation between Lisbon and Union 44 portrayed a \$1,007,641 cost shift from Union 44 member towns to Lisbon. Lisbon and Union 44 representatives met in August to consider educational philosophy and programs, student performance, governance, and other miscellaneous factors such as school calendar and professional days. During our meeting, we were informed that Wales and Sabattus had significant budget cuts for 07-08 and experienced significant staff reductions as a result. In spite of this financial information, the Lisbon School Committee voted to submit a Notice of Intent with Union 44, which was approved by the Commissioner.

Since that time, we have further researched “leveling up” costs and determined that there are significant differences in our wage and benefit structures for professionals and for support staff. In addition, there are significant program and calendar differences. As a result of these efforts, it has been determined that the financial and programmatic impacts of consolidation with Union 44 are insurmountable. See attached supports for specific information and documentation.

- C. **Durham**: Durham is currently considering Freeport and MSAD #62 (Pownal) as consolidation partners. In 2004, Durham and Lisbon considered creating a CSD for high school students. This went to a referendum vote in December 2004 which passed in Lisbon but was solidly defeated in Durham by a vote of 620-237 against a CSD with Lisbon. We are considering this a rejection of Lisbon as sentiment between the towns hasn't changed since that date.

During summer 2007 consolidation discussions, Lisbon included financial analysis of consolidation with Durham, Freeport, and MSAD #62 (Pownal). Freeport clearly expressed a lack of interest in Lisbon. Thus, Lisbon considers this a rejection as well.

- D. **Lewiston/Auburn**: Lisbon has nothing in common with these larger service centers. Although a discussion was held with each superintendent during summer 2007, there are limited program and philosophical commonalities. Financial impacts are also significant and thus Lisbon has been rejected due to these differences.

- E. **Alternative Ways of Meeting Efficiencies**: The Lisbon School Department and the Town of Lisbon have made several changes to increase efficiencies in the past couple of years. We purchased accounting software that is aligned and were able to reduce \$20,000 from our administrative budget as a result. We purchase fuel through the Town at a significant cost savings in transportation. We are currently analyzing transportation and facilities costs to determine additional ways to collaborate and save money. Our special education identified rates have reduced from 20% to 13% over the past 6 years.

The tax rate in Lisbon has remained flat or been reduced during the past 6 years. State subsidy increases realized by the School Department have been passed on to taxpayers. We have a strong, fiscally conservative history while increasing student performance during the same timeframe. Lisbon recently hired a new Town Manager who has a history of collaborative efforts with the school department in his previous position. The Superintendent and Town Manager have met to continue talks regarding collaborative financial efforts. The Town Council and the School Committee have encouraged and supported these discussions. We are optimistic about making additional reductions in system administration, transportation, and operations through such items as snow plowing, shared bus maintenance, shared maintenance of grounds, and through shared business office responsibilities.

In addition, we have established a collaborative working arrangement with MSAD #75 as a result of our work together on consolidation. Lisbon is currently providing a bus for their use and, in return, they are loaning us equipment that we have had to rent in previous years. Both systems have

agreed to continue to look at ways to collaborate that will provide cost savings to both systems. As a result of these and additional collaborative efforts, we believe we will be in good financial standing to efficiently provide services to our 1400 students. Community support for the "doughnut hole" designation was clearly articulated and applauded at our public meeting regarding Lisbon's consolidation plan with MSAD #75.

**Conclusion:** Citizens and administrators in Lisbon have worked an exceptional number of hours since July 1, 2008 in good faith on our consolidation efforts. In spite of our due diligence, we have been rejected by surrounding systems for a variety of reasons. We have an established track record of working collaboratively with others to reduce costs and expect to identify additional cost savings in the near future as a result of our continued efforts to become more efficient. We believe we do qualify for an exception as a doughnut hole, and we also believe that Lisbon is a model of the extensive efforts systems must make before requesting such an exception. We appreciate your consideration of our request.

Respectfully submitted,

A handwritten signature in black ink, reading "Shannon L. Welsh". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Shannon L. Welsh, Ed.D.  
Superintendent of Schools

MINUTES OF THE LISBON SCHOOL COMMITTEE SPECIAL MEETING HELD MONDAY, MARCH 17, 2008 AT 4:00 P.M. IN THE LISBON TOWN OFFICE MEETING ROOM. (NOTE: These Minutes are not official until approved by the School Committee. Such action, either to approve or amend and approve, is anticipated at the April 14, 2008 meeting.)

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**Members Present:** Prudence Grant, Traci Austin, Janice Comber, Fay Ingersoll; Shannon L. Welsh, Ed.D, Superintendent of Schools

**Members Absent:** Deborah Danuski (excused)

**Administrators Present:** Carlene Iverson, Principal; Kate Race, Assistant Principal and Alene Staley, Adult Education Director

**Administrators Absent:** Jim Damsgaard, School Nutrition Director; Kenneth Healey, Principal; Warren Galway, Assistant Principal; Richard Green, Principal; Susan Matthews, Special Education Director; Catherine Messmer, Business Manager; Darrell Orr, Interim Director of Facilities Maintenance and Pupil Transportation; Jeff Ramich, Co-Curricular Director and James Churchill, Technology Director

**Others Present:** Members of RPC: Charlie Smith and Gina Mason and other members of the public.

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#### **CALLED TO ORDER:**

Chairperson Grant called the meeting to order at 7:00 P.M. and the Pledge of allegiance was recited.

#### **4. UNFINISHED BUSINESS:**

**VOTED: (1)** That the provisions included in the school reorganization plan prepared by the Lisbon and MSAD 75 Reorganization Planning Committee to reorganize Lisbon School Department and MSAD 75 into a regional school unit with an operational date of July 1, 2009, are determined to be necessary with the meaning of Section XXXX-36(5)(M) and that the Superintendent of Schools be, and hereby is, authorized and directed to submit the school reorganization plan to the Commissioner of Education on behalf of this school administrative unit by March 28, 2008. (Austin – Comber) (3 – 1) (Ingersoll)

## REORGANIZATION PLAN

SAUs Submitting: M.S.A.D No. 75  
Lisbon School Department

Contact Information: Michael Wilhelm, M.S.A.D No. 75  
729-9961  
Shannon Welsh, Union 30  
353-6711

Date Submitted: March 28, 2008

Proposed RSU Operational Date: July 1, 2009

This plan proposes the reorganization of M.S.A.D. No. 75 and the Lisbon School Department into one single regional unit.

The plan has been prepared by the Lisbon/M.S.A.D. No. 75 Reorganization Planning Committee and is being submitted by M.S.A.D. No. 75 and the Lisbon School Department to the Maine Commissioner of Education for approval before being brought to a referendum vote.

### **The Members of the Lisbon/M.S.A.D. No. 75 Reorganization Planning Committee are:**

Co Chair Martha Poliquin representing Lisbon  
Co Chair Robert Hill representing M.S.A.D. No. 75

#### Bowdoin

Roy Letourneau, Selectman  
Tim Lavan, community member  
Kim Totten, M.S.A.D. No. 75 Board

#### Bowdoinham

Dan Billings, representing Selectmen  
Kim Benjamin, community member  
Joanne Reinhart, M.S.A.D. No. 75 Board member  
And Rebekah Stimpson, M.S.A.D. No. 75 Board member  
*Joanne Reinhart is the representative, and Rebekah Stimpson will stand in for her in the event of Ms. Reinhart's inability to attend.*

#### Harpswell

Jim Henderson, Selectman  
Elinor Multer, community member  
Joanne Rogers, M.S.A.D. No. 75 Board member

#### Topsham

Jim Trusiani, Selectman  
Steve Harris, community member  
Bob Hill, M.S.A.D. No.75 Board member

Lisbon

Martha Poliquin, town representative  
Prudence Grant, School Committee member  
Gina Mason, Town Councilor  
And Charlie Smith, Town Councilor

*Ms. Mason and Mr. Smith are sharing a position, and in the event both attend a meeting, only one will vote.*

**Date Submitted: March 26, 2008 by Lisbon School Department**

**Name of the Regional School Unit:** To Be Determined by the Regional School Unit Board of Directors prior to the Operational Date.

**Proposed RSU Operational Date:** July 1, 2009

**1.A. The units of school administration to be included:**

Town of Lisbon, a municipal school unit, and  
Maine School Administrative District No. 75

**1.B Mission Statement for the new school unit:**

The new school unit will at its outset adopt and meld together the mission statements of the reorganizing units. Those statements are:

Lisbon

"Members of the communities of Lisbon and Durham are committed to creating safe, respectful climates in which broad-based educational and cultural opportunities provide rich, diverse experiences for all learners. Within this environment, learners will become knowledgeable about themselves and others, develop strong academic, creative, technological, recreational, and practical life skills, preparing them for many options as life-long learners, effective problem solvers and capable communicators. These experiences will provide a solid basis for future responsibilities as family members, workers and citizens. As the community strives to improve the educational environment, necessary resources will be provided to secure safe, spacious, accessible facilities for a wide variety of learning activities. To this end, the schools will encourage practices, which are respectful, open, fair and relevant."

M.S.A.D. No. 75

"The four communities of Maine School Administrative District 75 - Bowdoin, Bowdoinham, Harpswell and Topsham - are united in our dedication to develop confident, life-long learners. It is our mission to work together to ensure a community of fluent learners, critical thinkers and creative contributors to our society."

### **1.C Potential Educational Program Enhancements from Reorganization:**

Within the constraints of the proposed costs savings in sections 12 and 13A, the plan recommends that the new regional school unit considers implementing educational program enhancements that can be achieved from the new unit's greater collective resources and economies of scale.

The following is a preliminary list of suggestions for consideration by the new unit

1. Share technological resources
2. Maintain neighborhood schools
3. Share M.S.A.D. No. 75's Orion Performing Arts Center
4. Provide additional educational opportunities
5. Support additional co-curricular activities
6. Regionalize Special Education services
7. Increased early college and Advanced Placement opportunities
8. Expand Vocational Education opportunities
9. Expand Adult Education Opportunities

### **2. The size, composition and apportionment of the governing body:**

The RSU governing body will consist of 17 members, all serving 3-year terms, with the exception of the 2008 elected members whose terms will be staggered (Bowdoin and Bowdoinham – one 3-year and one two year initial terms; Harpswell – one 3-year, one 2-year and one 1-year initial terms; Topsham and Lisbon – two 3-year, one 2-year, and two 1-year initial terms). During the initial election candidates receiving the most votes from his/her community will serve the longer terms.

Lisbon – five Board Members

Topsham – five Board Members

Harpswell – three Board Members

Bowdoin – two Board Members

Bowdoinham – two Board Members

Two students each (one junior and one senior) from Lisbon High School and from Mt. Ararat High School will serve as student representatives to the RSU Board.

They will be selected by a process to be determined by their respective high school.

### **3. The method of voting of the governing body:**

Voting will be one member/one vote with votes weighted as follows:

Lisbon – 62 votes per representative

Topsham – 66 votes per representative

Harpswell – 57 votes per representative

Bowdoin – 48 votes per representative

Bowdoinham – 46 votes per representative



4. **The composition, powers, and duties of any local school committees to be created:**

Local School Committees will not be created. A group of standing committees consisting of Board members from all communities of the RSU will be charged with some of the work of the Board, to make recommendations to be voted on by the RSU Board.

5. **The Disposition of Real and Personal School Property**

A. Real Property and Interests. All real property interests, including without limitation land, buildings, other improvements to realty, easements, option rights, first refusal rights, and purchase rights, and all fixtures of the Lisbon and M.S.A.D. No. 75 school units, shall be conveyed to the new RSU, with the exception of the Lisbon school administration building and antiques in the superintendent's office. The RSU Board may require such deeds, assignments or other instruments of transfer which in its judgment are necessary to establish the RSU's title, right and interest in such real property and fixtures.

**The following real property interests and associated fixtures shall not be transferred.**

<u>SAU</u>	<u>Description of excluded property</u>
Lisbon	Lisbon SAU administration building 19 Gartley Street, Lisbon, Maine

Lisbon All town-owned antiques in the Superintendent's office

All real property and fixtures not described in the above list shall be transferred to the regional school unit.

**The disposition of the above non-transferred property, shall be as follows:**

To be turned over to the Town of Lisbon

B. Personal Property. All other tangible school personal property, including movable equipments, furnishings, textbooks and other curriculum materials, supplies and inventories shall become the property of the new RSU.

The new RSU may require such assignments, bills of sale or other instruments of transfer as in its judgment is necessary to establish the RSU's right, title, and interest in such property.

C. Agreements to share or to jointly own property. In cases where real or personal school property is shared or is jointly used by an SAU with a municipality or other party, the RSU shall be the successor in interest to the SAU, unless that shared or jointly used

property has been excepted in a list of excepted real property or , as applicable a list of excepted personal property.

**6. The disposition of existing school indebtedness and lease-purchase obligations if the parties elect not to use the provisions of Section 1506 regarding the disposition of debt obligations**

**A. Bonds, Notes and Lease Purchase Agreements That the Region Will Assume.**

The new RSU shall assume liability to pay the following bonds, notes and lease purchase agreements:

<b>Name of SAU State-supported Bonds</b>	<b>Year Issued</b>	<b>Original Principal Amount*</b>	<b>Asset Acquired, Constructed or Renovated</b>	<b>Principal Balance as of June 30, 2007*</b>
Lisbon	2004	\$12,237,600.00	Lisbon Community School	\$11,013,840.00
SAD 75	1990	\$5,639,950.00	Woodside Elementary School	\$1,127,988.00
SAD 75	2000	\$15,800,000.00	Mt Ararat Middle School	\$11,060,000.00
SAD 75	2001	\$5,268,050.00	Bowdoin Central School	\$3,951,038.65
<b>Locally-funded Bonds</b>				
Lisbon	1989	\$529,000.00	Capital Improvements	\$84,000.00
Lisbon	2004	\$662,110.00	Lisbon Community School	\$595,890.00
SAD 75	1996	\$1,518,437.00	Williams-Cone Renovation	\$506,145.65
SAD 75	2000	\$305,000.00	Mt Ararat Middle School	\$213,500.00
SAD 75	2001	\$451,235.00	Bowdoin Central School	\$338,426.35
SAD 75	2004	\$267,200.00	Capital Improvements	\$106,880.00
SAD 75	2006	\$450,000.00	Capital Improvements	\$360,000.00
SAD 75	2007	\$362,500.00	Capital Improvements	\$362,500.00

**Lisbon / SAD 75 Lease Purchase Agreements**

Lisbon	2005	\$120,409.44	Copiers (Qty of 10)	\$72,536.35
Lisbon	2005	\$60,869.00	School Bus	\$20,311.58
Lisbon	2006	\$63,101.00	School Bus	\$40,945.86
Lisbon	2006	\$63,101.00	School Bus	\$40,945.86
Lisbon	2007	\$10,000.00	Pickup Truck	\$10,000.00
Lisbon	2007	\$70,906.00	School Bus	\$70,906.00
SAD 75	2003	\$260,000.00	Bus Garage & Lot	\$163,424.79
SAD 75	2005	\$36,900.00	Copiers (Qty of 3)	\$12,336.80
SAD 75	2005	\$64,651.00	School Bus	\$21,618.17

SAD 75	2005	\$35,995.00	Lawn Tractors & Trailer	\$21,647.52
SAD 75	2005	\$19,122.00	7-Passenger Van	\$6,384.14
SAD 75	2005	\$30,484.00	Truck, Plow & Sander	\$10,193.44
SAD 75	2006	\$18,954.00	Intercom System	\$6,339.34
SAD 75	2006	\$98,952.00	School Bus / Copiers (Qty of 2)	\$64,514.98
			Telephone Systems / Ride-on	
SAD 75	2006	\$32,155.90	Scrubbers	\$20,988.56
SAD 75	2006	\$70,812.76	Computers	\$46,220.71
SAD 75	2007	\$33,950.00	Copiers (Qty of 5)	\$33,950.00
SAD 75	2007	\$33,046.00	7-Passenger Van (Qty of 2)	\$33,046.00
SAD 75	2007	\$86,526.85	Computers	\$86,526.85

Additionally, other bonds, notes and lease purchase agreements issued by before the operative date of the region shall be assumed by the region, provided the SAU issued bond, note or lease purchase agreement in the normal course of its management of the schools for an essential purpose to replace its existing facilities and existing items of equipment that are not longer serviceable, or to keep them in normal operating condition, or to reduce operating costs.

B. Bonds notes and lease purchase agreements that the regions will not assume.  
None

C. New Capital Project Debt that the Region will issue and assume None

D. New Capital Debt that the Region will issue but will not assume None

E. Defaulted Debt is excluded from being assumed. Notwithstanding anything in this Plan to the contrary, except where legally required to do so, the region will not assume any bond, note or lease purchase agreement as to which the SAU is in breach or has defaulted.

F. Other Debt Not Assumed. Except as provided in this section of the Plan, the region will not assume liability for any bonds, notes or lease purchase agreements issued by the SAU prior to the operative date of the region.

**7. The assignment of school personnel contracts, school collective bargaining agreements and other school contractual obligations.**

A. School Personnel Contracts. A list of all written individual employment contracts to which each of the existing Lisbon School Department and of MSAD #75 is a party is attached as Exhibit 7-A.1. Pursuant to Section XXXX-43(5) of Title 20-A M.R.S.A., individuals on the list who are employed on the day before the operational date shall become employed by the RSU as of the operational date, and their contracts shall be assumed by the RSU on the operational date. This provision does not prevent the

existing Lisbon School Department or MSAD #75 from terminating or non-renewing the contracts of employees in accordance with applicable law before the operational date of the RSU. The list shall be updated and made final no later than the day before the operational date of the RSU.

A list of all employees of each of the existing Lisbon School Department and of MSAD #75 who do not have written individual employment contracts is attached as Exhibit 7-A.2. Pursuant to Section XXXX-43(5), individuals on the list who are employed on the day before the operational date shall become employed by the RSU as of its operational date. This provision does not prevent the existing Lisbon School Department or MSAD #75 from terminating employment of the employees in accordance with applicable law before the RSU's operational date. The list shall be updated and made final no later than the day before the operational date of the RSU.

The duties and assignments of all employees transferred to the RSU shall be determined by the Superintendent of the RSU or his/her designee.

B. School Collective Bargaining Agreements. The collective bargaining agreements listed in Exhibit 7-B, as to which the Lisbon School Department or MSAD #75 are a party, shall be assumed by the RSU as of its operational date. All of the employer's rights and responsibilities with respect to collective bargaining shall be fully assumed by the RSU as of the RSU's operational date.

SAU	Positions in Bargaining Unit	Termination date
Lisbon Education Association	Teachers/professional staff	2009
Lisbon Education Support Personnel	Hourly support staff	2010
Lisbon Administrators Association	Principals, Asst principals/ co-curricular director	2009
Merrymeeting Teachers Association (MSAD #75)	Teachers/professional staff	2010
Merrymeeting Employees Association (MSAD #75)	Hourly support staff	2009
MSAD 75 Administrators Association	Principals/Asst Principals	2009

All of the employer's rights and responsibilities with respect to collective bargaining units shall be fully assumed by the regional school unit board as of the operational date.

C. Other School Contractual Obligations. A list of all contracts to which the Lisbon School Department or MSAD#75 is a party and that will be in effect as of the RSU's operational date is attached as Exhibit 7-C.1. The RSU shall assume the contracts listed in Exhibit 7-C.2 as of the operational date.

The Lisbon School Committee and Superintendent and MSAD #75 Board of Directors and Superintendent shall seek to terminate or negotiate for termination the contracts listed in Exhibit 7-C.3 prior to the RSU's operational date.

**8. The disposition of existing school funds and existing financial obligations, including undesignated fund balances, trust funds, reserve funds and other funds appropriated for school purposes.**

- A. Existing Financial Obligations. Pursuant to Section XXXX-36(5) the disposition of existing financial obligations is governed by this plan.

Existing financial obligations shall include the following:

- a. All account payable:
- b. To the extent not included as accounts payable, any financial obligation which under generally accepted accounting principles would be considered expenses of the SAU for any year prior to the year the RSU becomes operational, whether or not such expenses were budgeted by the SAU in the year the obligations were incurred, including for example summer salaries and benefits; and
- c. All other liabilities arising under generally accepted accounting principles that can be reasonable estimated and are probable.

Each SAU shall satisfy its existing financial obligations from all legally available funds. If an SAU has not satisfied all of its existing financial obligations, the SAU shall transfer sufficient funds to the region to satisfy its remaining existing financial obligations, and the regional school unit board shall be authorized to satisfy those existing financial obligations on behalf of the SAU. If the SAU does not transfer to the region sufficient funds to satisfy its existing financial obligations, then to the extent permitted by law, the regional school unit board may satisfy those obligations from balances that the SAU transfers to the region. If the available balances transferred are insufficient to satisfy the SAU's existing financial obligations, or are not legally available for that purpose, the regional school unit board may take any action permitted by law so that all of the municipalities of the region are treated equitably with respect to the unsatisfied existing financial obligations of an SAU. For example, to the extent permitted by law, the regional school unit board may satisfy the unpaid existing financial obligations of an SAU in the same manner and with the same authority as for unassumed debt under the provisions of 20-A M.R.S.A. § 1506(4).

Additionally, to the extent permitted by law, if in the judgment of the regional school unit board it must raise funds from all its members to satisfy existing financial obligations of an SAU, the regional school unit board also shall be authorized to raise additional amounts for the purpose of making equitable distributions (which may be made in the form of credits against assessed local shares of the region's approved budget) to those region members that would otherwise bear costs attributable to unsatisfied existing

financial obligations of an SAU for which they had no financial responsibility. The intent of the preceding sentence is that financial responsibility for unsatisfied existing financial obligations of an SAU be borne by its members and not by the other members of the region.

- B. Remaining Balances The balance remaining in the SAU's school accounts after the SAU has satisfied existing financial obligations in accordance with this plan shall be paid to the treasurer of the regional school unit, verified by audit and used to reduce that SAU's contribution as provided by Section XXXX-43(4). Unless the Legislature otherwise provides, in the case of a school administrative district, community school district or other regional school district (collectively, "district"), the school board of the district shall specify in writing to the regional school unit board how the region shall allocate transferred remaining balances between district members. Unless the Legislature otherwise provides, if the district board has not specified in writing to the regional school unit board how this allocation shall occur, then the transferred remaining balances shall be credited to the district's members in proportion to their respective shares of that portion of the total local costs of the region allocable to all of the district's members for the operational year.

Transfers of remaining balances may occur within the period specified by Section XXXX-43(4), or, as may be preferable in the case of a district, at any time before the district has closed its accounts and ceased normal operations.

- C. Reserve Funds SAUs shall transfer remaining balances of reserve funds to the regional school unit. Unless otherwise provided by applicable law, a transferred reserve fund shall be used in accordance with its original purpose to benefit a school or schools of the SAU. Transferred reserve funds shall be subject to Title 20-A M.R.S.A. § 1491, except that the transfer of funds in a reserve fund or a change in purpose of the fund may only occur in such manner that the funds continue to benefit the members of the SAU that transferred that reserve fund to the region.
- D. Scholarship Funds SAUs shall transfer remaining balances of scholarship funds to the region. Scholarships shall be limited to the original pool of potential recipients unless otherwise provided by the donor or by applicable law.
- E. Trust Funds SAUs shall transfer trust funds to the region. The regional school union board shall be deemed the successor trustee for all purposes, except as provided by the trust or by applicable law.

#### **SAD 75**

**Agency, Scholarship, Special Revenue, Enterprise & Trust Fund Balances**

**June 30, 2006**

**Student Activity (Agency) Funds**

Bowdoin Central School	\$21,420.00	
Bowdoinham Community School	\$9,549.00	
Harpswell Islands School	\$19,545.00	
West Harpswell School	\$8,345.00	
Williams Cone School	\$9,980.00	
Woodside School	\$35,544.00	
Mt. Ararat Middle School	\$76,734.00	
Mt. Ararat High School	\$114,214.00	
Mt. Ararat Sports Boosters	\$11,914.00	
Total Student Activity Funds		\$307,245.00

**Scholarship Funds (none)**

\$0.00

**Special Revenue Funds**

Merrymeeting Adult Education (joint w/Brunswick)	\$93,990.00
SAMSHA	\$1,705.00
School Based Health Clinic	\$5,514.00
Midcoast Access	\$3,217.00
MELMAC	\$6,515.00
I-95 Admin Certification	\$1,654.00
National Semiconductor	(\$2,728.00)
Great Maine Schools / Mitchell Institute	(\$6,042.00)
Miscellaneous State Grants	\$4,800.00
Learning Results PPPD	\$2,147.00
Schools of Excellence Health	\$724.00
MCSCMP College Mentoring Project	\$2,200.00
Title IA	\$106,761.00
Local Entitlement	\$39,936.00
Physical Education & Physical Activity	\$2,000.00
Title IV Drug Free Schools	\$18.00
Title V	(\$47,290.00)
Title IID	(\$7,738.00)
Title IIA	\$82,063.00
Comprehensive School Health Education	\$3,428.00
E-rate	\$34,428.00
Carl Perkins MVR 10	(\$5,933.00)
Bowdoin Central School Construction	\$7,117.00
Woodside Construction Arbitration	(\$4,595.00)
Athletic Facilities Improvement (Gate Receipts)	\$60,174.00
Gebbia Memorial	\$10,416.00
Riendeau Memorial	\$370.00
Kenison Memorial	\$706.00

Total Special Revenue Funds		\$395,557.00
<b>Enterprise Funds</b>		
Food Service	\$8,640.00	
Orion Performing Arts Center	\$7,634.00	
Total Enterprise Funds		\$16,274.00
<b>Trust Funds</b>		
Terry Conlin Trust	\$6,065.00	
Total Trust Funds		\$6,065.00
<b>Total Balance June 30, 2006 (all funds)</b>		<b>\$725,141.00</b>

**Lisbon School Department**  
**Agency, Scholarship & Special Revenue Funds**  
**June 30, 2006**

**Student Activity (Agency) Funds**

Lisbon Community School Activity Account	\$13,052.00	
PW Sugg Middle School Activity Account	\$15,555.00	
Lisbon High School Activity Account	\$46,623.00	
Total Agency Funds		\$75,230.00

**Scholarship (Trust) Funds**

Blanche M. Jalbert Fund	\$1,795.00
Class of 1941 Scholarship Fund	\$121.00
Cliff Morse Athletic Fund	\$262.00
Dunton Memorial	\$700.00
Earl Higgins Memorial	\$3,281.00
Edna D. Purinton Memorial Scholarship Award	\$1,135.00
Frank E. Wimmer Scholarship Grant for Higher Education in Social Studies	\$0.00
John Goldrup Memorial Scholarship Fund	\$2,226.00
Leon E. Bard, Sr. Memorial Music Scholarship Award	\$1,572.00
Lisbon High School Memorial Library Fund (Lewan Cleveland, Paul Huston, & Errol Smith)	\$876.00
Lisbon Summer Camp	\$369.00
Marion T. Morse Secretarial Award	\$1,000.00
Mark Adam Cielinski Memorial Scholarship Fund	\$2,181.00
Maude Frow Fund	\$1,000.00
Michael F. Strout Memorial Scholarship Fund	\$3,200.00



Richard S. Ladner Scholarship Fund	\$4,909.00	
Sugg Middle School Trust Fund	\$3,845.00	
Thompson Memorial Fund	\$1,631.00	
Walter Huston Memorial Scholarship	\$32,990.00	
Total Scholarship Funds		\$63,093.00

**Special Revenue Funds**

Title IA Disadvantaged Grant	\$2,001.00	
Title IIA Teacher Quality Grant	\$7,043.00	
Title IID Technology Grant	\$4,789.00	
Title IID Competitive Grant	\$0.00	
Title IV Drug Free Schools Grant	\$1,150.00	
Title V Innovative Ed Grant	\$0.00	
Local Entitlement	\$7,253.00	
Local Entitlement - Preschool	\$376.00	
MELMAC Grant	(\$2,813.00)	
Lacasse Foundation	\$160.00	
Yard Sale	\$34.00	
Me Arts Commission	\$6,309.00	
PPFPD Learning Results	\$4,480.00	
Total Special Revenue Funds		\$30,782.00

**Enterprise Funds**

Food Service	\$109,969.00	
Adult Ed	\$8,304.00	
Total Enterprise Funds		\$118,273.00

**Total Balance June 30, 2006 (all funds)**

**\$287,378.00**

**9. A transition plan that addresses the development of a budget for the first school year of the reorganized unit and interim personnel policies.**

A. The Regional School Unit Board shall establish interim rules of procedure and shall elect interim officers who shall serve until officers are elected at a meeting following the operational date of the RSU.

The Regional School Unit Board shall select a superintendent of schools during the interim period. During this period, the salary, office and other expenses of the superintendent, as well as the cost of the regional school unit Board, including insurance shall be allocated by the Lisbon School Unit and by MSAD No. 75 on the basis of a 50%

pupil population/ 50% valuation cost sharing formula. The Regional Planning Committee has earmarked \$250,000 for these expenses to be shared in this way.

This proposal contemplates the RSU to become operational as of July 1, 2009. In developing its proposed budget for the first operational year the RSU will consider the cost-savings articulated in this plan and well as additional cost savings as could be reasonably expected through consolidation.

The RSU shall propose and approve a recommended budget for the first operational year for submission to the voters of the region. The budget format, approval procedures and assessments shall be in accordance with the law. The RSU Board shall have all necessary authority for this purpose.

The RSU Board shall be authorized to take all other actions and shall have all other authority provided under state law to prepare for the school unit to become operational as of July 1, 2009, including the authority to open and maintain accounts, to incur expenses and to file applications for school construction projects and revolving renovation fund loans and other available funding. The RSU shall possess any other applicable powers for educational purposes.

B. All personnel policies existing in the previous school administrative units shall continue to apply to the same employment positions after they become part of the RSU. After the operational date, the RSU Board and Superintendent will develop and adopt region-wide policies in accordance with applicable law.

**10. Documentation of the public meeting or public meetings held to prepare or review the organization plan.**

September 26, 2007  
October 10, 2007  
October 24, 2007  
November 7, 2007  
December 5, 2007  
January 2, 2008  
January 16, 2008  
January 30, 2008  
February 27, 2008  
March 12, 2008  
March 15, 2008

**11. If one or more of the proposed members of the RSU fails to approve the plan.**

Should the referendum to form the new RSU fail, the Lisbon/M.S.A.D. No. 75 Reorganization Planning Committee will reconvene and attempt to determine and correct the reason for the failure at the polls. The reorganization plan will be adjusted and resubmitted for approval and another referendum will be scheduled.

**12. An estimate of the cost savings to be achieved by the formation of a regional school unit and how achieved**

The Lisbon/M.S.A.D. #75 Reorganization Planning Committee (RPC) analyzed cost savings in administration. We do not anticipate significant cost-savings due in the first three years due to transitional costs of software and connectivity between towns and the leveling up costs of salaries. These new costs will offset any cost savings in the first three years.

**13. Other matters deemed necessary**

**13-A. Plans to reorganize administration, transportation, building and maintenance and special education**

The Lisbon/M.S.A.D. #75 Reorganization Planning Committee (RPC) spent time considering reorganization of administration and has realized a projected cost savings of \$333,608. This cost savings may be offset by unknown consolidation costs such as software and training, information systems interconnection, or other similar requirements. The RPC considered other potential cost savings in transportation, building and maintenance, and special education. Administrative costs in these areas are included in the savings of \$333,608. We anticipate additional savings in transportation and special education but are unable to calculate those at this time.

**13-B. Cost Sharing in the Regional School Unit**

The cost sharing agreement will be based on the states current calculation for Essential Programs and Services.

Approval of this reorganization plan by the Commissioner of Education and the voters is subject to the condition that the Maine Legislature enact a Private and Special Law or a general law authorizing or permitting an alternate cost sharing arrangement such as that contained in this reorganization plan prior to the operational date of the proposed regional school unit.

**13-C. Election of initial Board members**

The election of initial Board member will occur pursuant to the mode of election in each municipality. Please see description in Section 2.

**13-D. Tuition Contracts and School Choice**

Not applicable

**13-E. Claims and Insurance**

None

**13-F. Vote to submit plan.**

M. S.A.D. No. 75 vote to submit plan – March 20, 2008 - defeated  
Lisbon Vote to submit plan March 17, 2008

**13-G**  
**(N/A)**

	SUBSIDIZABLE PUPILS	% OF TOTAL PUPILS	2006 STATE VALUATION	(Lesser of Mills times the State Valuation or the Town Allocation)		(07/08 Actual adjusted by new %)	
				07/08 REQUIRED LOCAL CONTRIBUTION	% OF LOCAL CONTRIBUTION	07/08 ACTUAL ADDITIONAL LOCAL ONLY CONTRIBUTIONS	DIFFERENCE
LSBON	1421	32.11%	502,050,000	3,735,252	21.71%	965,884	245,177
BOWDOIN	531	12.00%	179,150,000	1,332,876	7.75%	576,313	(143,990)
BOWDOINHAM	472	10.67%	187,400,000	1,394,256	8.10%	535,828	(83,981)
HARPSWELL	535.5	12.10%	1,496,400,000	5,231,936	30.41%	1,746,385	(50,007)
TOPSHAM	1466	33.13%	740,350,000	5,508,204	32.03%	1,753,945	32,802
Total	4425.5	100.00%	3,105,350,000	17,202,524	100.00%	5,578,355	(0)

LSBON, LITCHFIELD, SABATTUS & WALES

	SUBSIDIZABLE PUPILS	% OF TOTAL PUPILS	2006 STATE VALUATION	(Lesser of 7.44 Mills times the State Valuation or the Town Allocation)		(07/08 Actual adjusted by new %)	
				07/08 REQUIRED LOCAL CONTRIBUTION	% OF LOCAL CONTRIBUTION	07/08 ACTUAL ADDITIONAL LOCAL ONLY CONTRIBUTIONS	DIFFERENCE
LSBON	1421	46.52%	502,050,000	3,735,252.00	48.44%	965,884	1,007,641
LITCHFIELD	599	19.61%	237,250,000	1,765,140.00	22.89%	1,134,205	(201,629)
SABATTUS	766	25.08%	218,900,000	1,628,616.00	21.12%	1,394,911	(534,448)
WALES	268.5	8.79%	78,150,000	581,436.00	7.55%	579,162	(271,563)
Total	3054.5	100.00%	1,036,350,000	7,710,444	100.00%	4,074,163	0

enalties for Lisbon for non-consolidation would be a reduction in State Subsidy by 4.5 to 5 million.

DURHAM, LISBON, AD#75	SUBSIDIZABLE PUPILS	% OF TOTAL PUPILS	2006 STATE VALUATION	(Less: Mills times the State Valuation or the Town Allocation)		(07/08 Actual adjusted by new %)	
				07/08 REQUIRED LOCAL CONTRIBUTION	% OF LOCAL CONTRIBUTION	07/08 ACTUAL ADDITIONAL LOCAL ONLY CONTRIBUTIONS	DIFFERENCE
DURHAM	568	11.37%	287,450,000	2,138,628	11.08%	223,272	419,548
LISBON	1421	28.46%	502,050,000	3,735,252	19.35%	965,884	156,731
BOWDOIN	531	10.63%	179,150,000	1,332,876	6.90%	576,313	(176,001)
BOWDOINHAM	472	9.45%	187,400,000	1,394,256	7.22%	535,828	(116,951)
HARPSWELL	535.5	10.72%	1,496,400,000	5,194,441	26.91%	1,746,385	(185,167)
TOPSHAM	1466	29.36%	740,350,000	5,508,204	28.54%	1,753,945	(98,161)
Total	4993.5	100.00%	3,392,800,000	19,303,657	100.00%	5,801,627	0
DURHAM, LISBON, FREEPORT, & POWNAL							
DURHAM, LISBON, FREEPORT, & POWNAL	SUBSIDIZABLE PUPILS	% OF TOTAL PUPILS	2006 STATE VALUATION	(Lessor of 7.44 Mills times the State Valuation or the Town Allocation)		(07/08 Actual adjusted by new %)	
				07/08 REQUIRED LOCAL CONTRIBUTION	% OF LOCAL CONTRIBUTION	07/08 ACTUAL ADDITIONAL LOCAL ONLY CONTRIBUTIONS	DIFFERENCE
DURHAM	568	16.82%	287,450,000	2,138,628	12.58%	223,272	202,062
LISBON	1421	42.09%	502,050,000	3,735,252	21.97%	965,884	(223,071)
FREEPORT	1168	34.60%	1,337,850,000	9,953,604	58.54%	1,970,875	8,381
POWNA	219	6.49%	157,900,000	1,174,776	6.91%	221,000	12,629
Total	3376	100.00%	2,285,250,000	17,002,260	100.00%	3,381,031	0
LISBON & SAD#75							
LISBON & SAD#75	SUBSIDIZABLE PUPILS	% OF TOTAL PUPILS	2006 STATE VALUATION	(Lessor of 7.44 Mills times the State Valuation or the Town Allocation)		(07/08 Actual adjusted by new %)	
				07/08 REQUIRED LOCAL CONTRIBUTION	% OF LOCAL CONTRIBUTION	07/08 ACTUAL ADDITIONAL LOCAL ONLY CONTRIBUTIONS	DIFFERENCE
LISBON	1421	32.11%	502,050,000	3,735,252	21.71%	965,884	245,177
BOWDOIN	531	12.00%	179,150,000	1,332,876	7.75%	576,313	(143,990)
BOWDOINHAM	472	10.67%	187,400,000	1,394,256	8.10%	535,828	(83,981)
HARPSWELL	535.5	12.10%	1,496,400,000	5,231,936	30.41%	1,746,385	(50,007)
TOPSHAM	1466	33.13%	740,350,000	5,508,204	32.03%	1,753,945	32,802
Total	4425.5	100.00%	3,105,350,000	17,202,524	100.00%	5,578,355	(0)
LISBON, LITCHFIELD, SABATTUS & WALES							
LISBON, LITCHFIELD, SABATTUS & WALES	SUBSIDIZABLE PUPILS	% OF TOTAL PUPILS	2006 STATE VALUATION	(Lessor of 7.44 Mills times the State Valuation or the Town Allocation)		(07/08 Actual adjusted by new %)	
				07/08 REQUIRED LOCAL CONTRIBUTION	% OF LOCAL CONTRIBUTION	07/08 ACTUAL ADDITIONAL LOCAL ONLY CONTRIBUTIONS	DIFFERENCE
LISBON	1421	46.52%	502,050,000	3,735,252.00	48.44%	965,884	334,324
LITCHFIELD	599	19.61%	237,250,000	1,765,140.00	22.89%	625,465	(11,060)
SABATTUS	766	25.08%	218,900,000	1,628,616.00	21.12%	732,298	(165,403)
WALES	268.5	8.79%	78,150,000	581,436.00	7.55%	360,515	(157,861)
Total	3054.5	100.00%	1,036,350,000	7,710,444	100.00%	2,684,162	0

# School Consolidation Inform

Factor	SAD 75	Union 44	
Geographic Proximity	Topsham & Bowdoin are contiguous to Lisbon; Approx. 8 miles to SAD 75 Central Office from Lisbon/Topsham town Line	Sabattus is contiguous to Lisbon; Oak Hills HS approx. 12 miles Central Office is approx. 16 miles from Lisbon Falls	
Educational Philosophy & Programs	3 Foreign Languages; French, Spanish & German. Full Day Kindergarten but ½ time teacher, ½ time Ed. Tech (alone) Health Center @ H.S., 1 SRO, 13 AP Courses taken by 285 students; 25% SPED population; Literacy Spec. ½ time in each Elem. School and full time in HS	90% of taxes in Wales & Litchfield go to schools. Wales has had tough budget times recently. This year Wales lost single teacher who taught Foreign Language, G&T and Art Prog. Not replaced. \$92,000 cut from Sabattus budget this year. Have few of the programs Lisbon has. Does <del>not</del> have same sports & Lacrosse.	
Cost Sharing			
Other EPS Related Considerations	They are above EPS	They are above EPS	W/6 W/6 be Ste lod

# School Consolidation Information

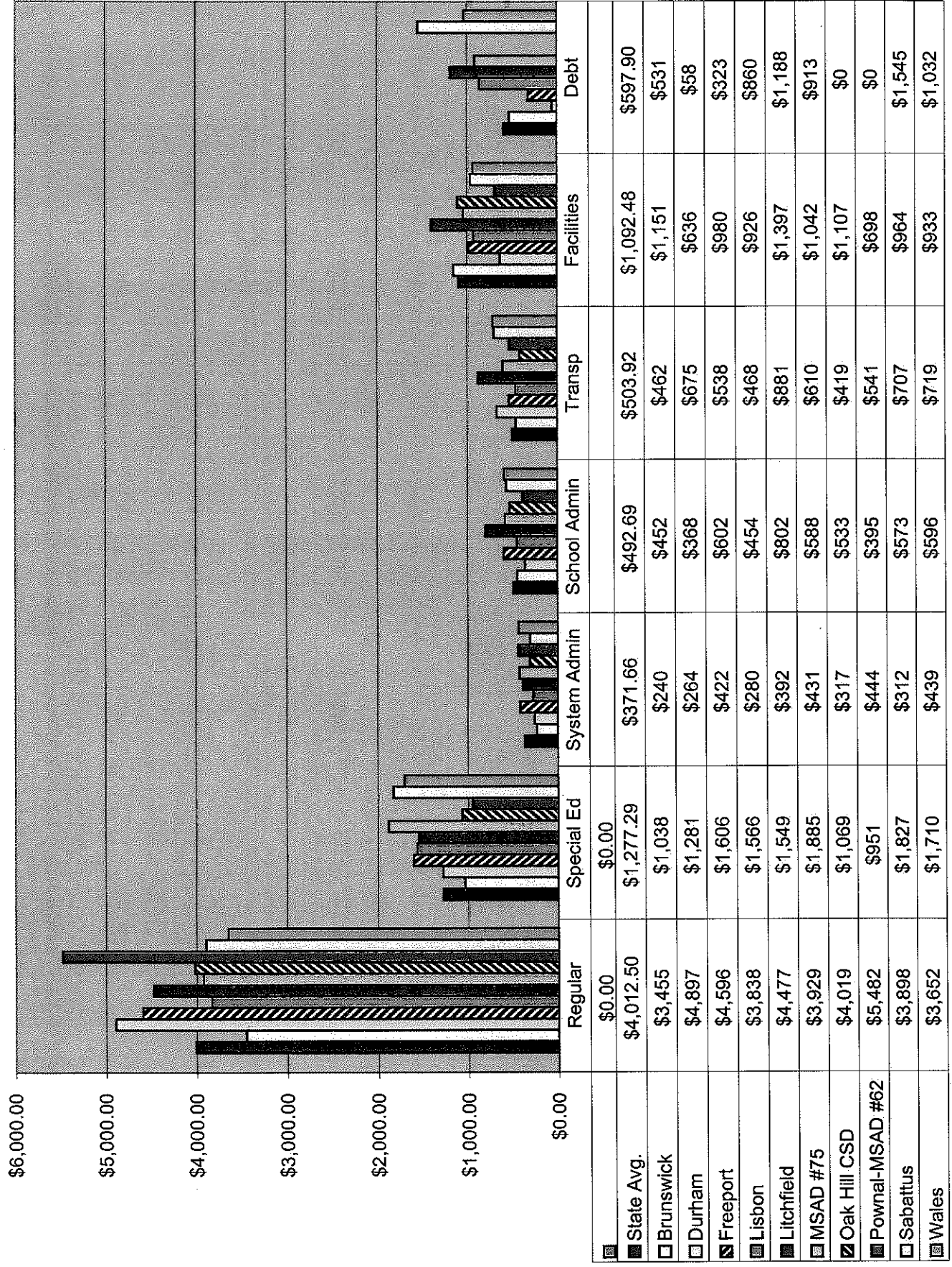
Factor	SAD 75	Union 44	
Cost Savings to Lisbon	NONE Would cost Lisbon \$ 245,177.00 SAD 75's local contributions would decrease by \$ 393,703.00 if Lisbon Merges with SAD 75	NONE It would cost Lisbon \$ 1,007,641.00	On 4.1
Increases in Cost or Penalties	Included Above	Included Above.	Co
Facilities	Needs new HS and is first on State's Construction List; New Middle School, Elem. Schools are in good shape	Sabbatus- 2 buildings' - K-2 & 3-8 Litchfield- 2 buildings- K-2 & 3-8 3-8 building is new. Wales- K-8, building is in the worst condition and was built by the town Oak Hills was renovated a couple years ago with \$700,000 bond, built in the '70's; No town has applied for Const.	Ne fu bu
Governance	SAD 75 has a large board with weighted votes	Currently has 3 separate committees	



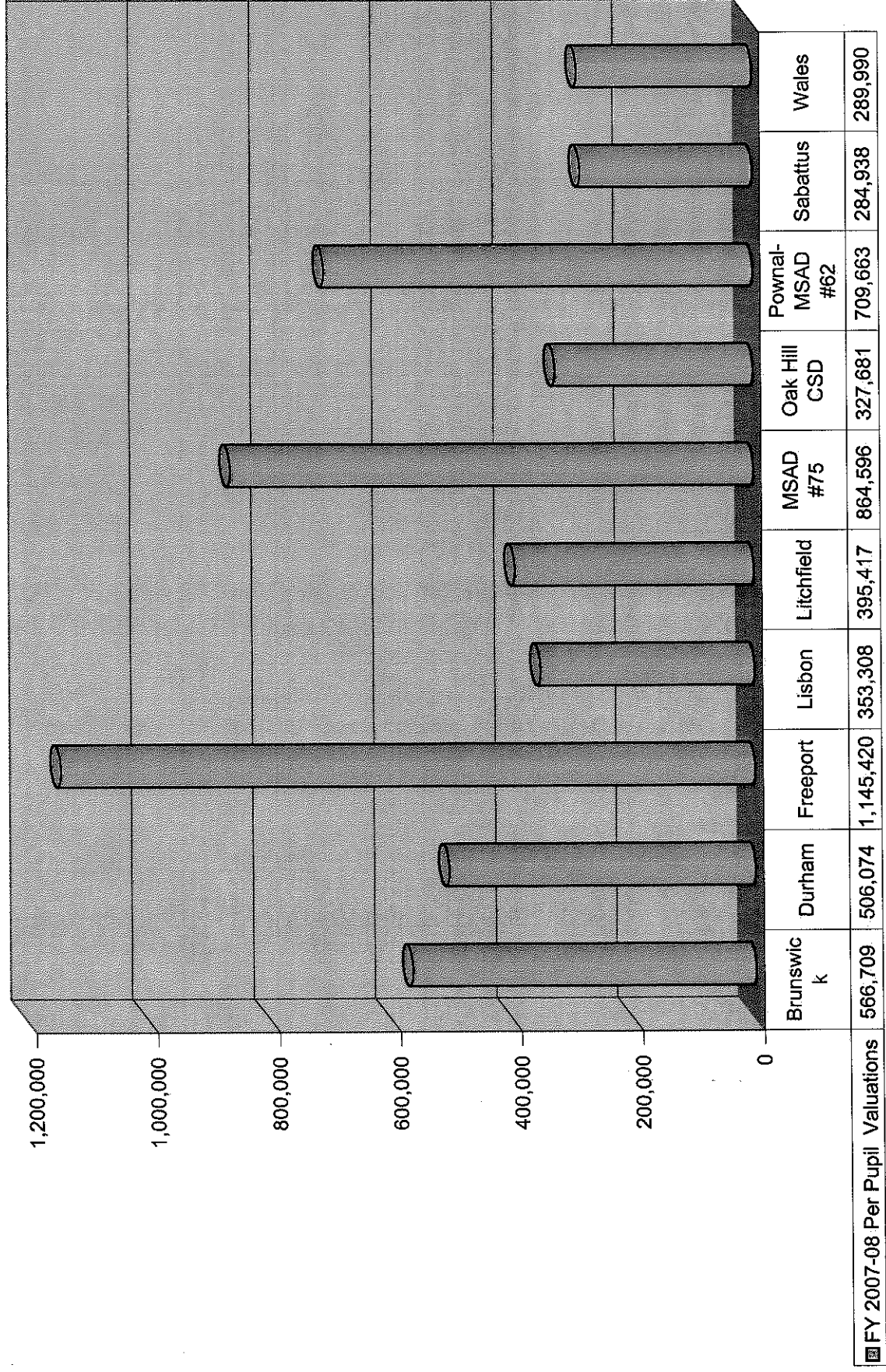
# School Consolidation Infor

Factor	SAD 75	Union 44	
Test Scores	Equal to or slightly above Lisbon- See attached Sheet	Equal to or slightly below Lisbon- See attached sheet	Lis Se
MEA			
Employment	In line with Lisbon's contracted salaries See attached sheet	Lower than Lisbon's contracted salaries- See attached sheet	
Contracts			
Wages & Benefits			
Miscellaneous	183 school days 5 additional days for new teachers	Has 4 different calendars (Found info on website) Sabattus- 186 Oak Hills -186 Litchfield- 186 plus 1 flex day Wales- 182 History of Budget problems not always resolved.	18 4 : or
Other Program Related Information		Some Foreign Language but not in all schools or as extensive as Lisbon. School Nurse for each town; Ed. Tech, Nurses Assist, Guidance Counselor & Social Worker in Litchfield & Sabattus. PT Guidance Counselor in Wales; few Technology related positions or programs- mostly data.	

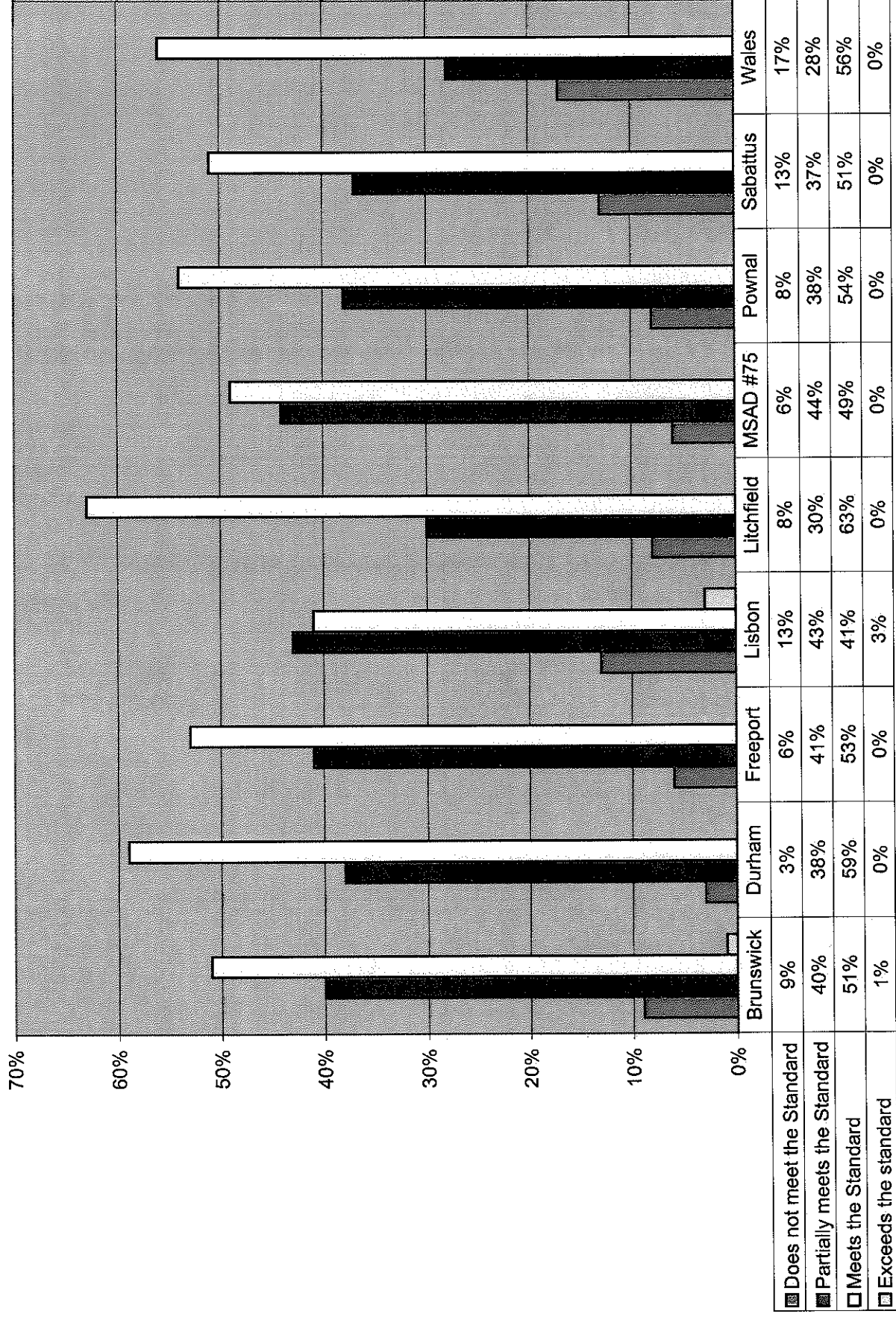
# Expense Comparison based on 2005/06 figures



FY 2007-08 Per Pupil Valuations

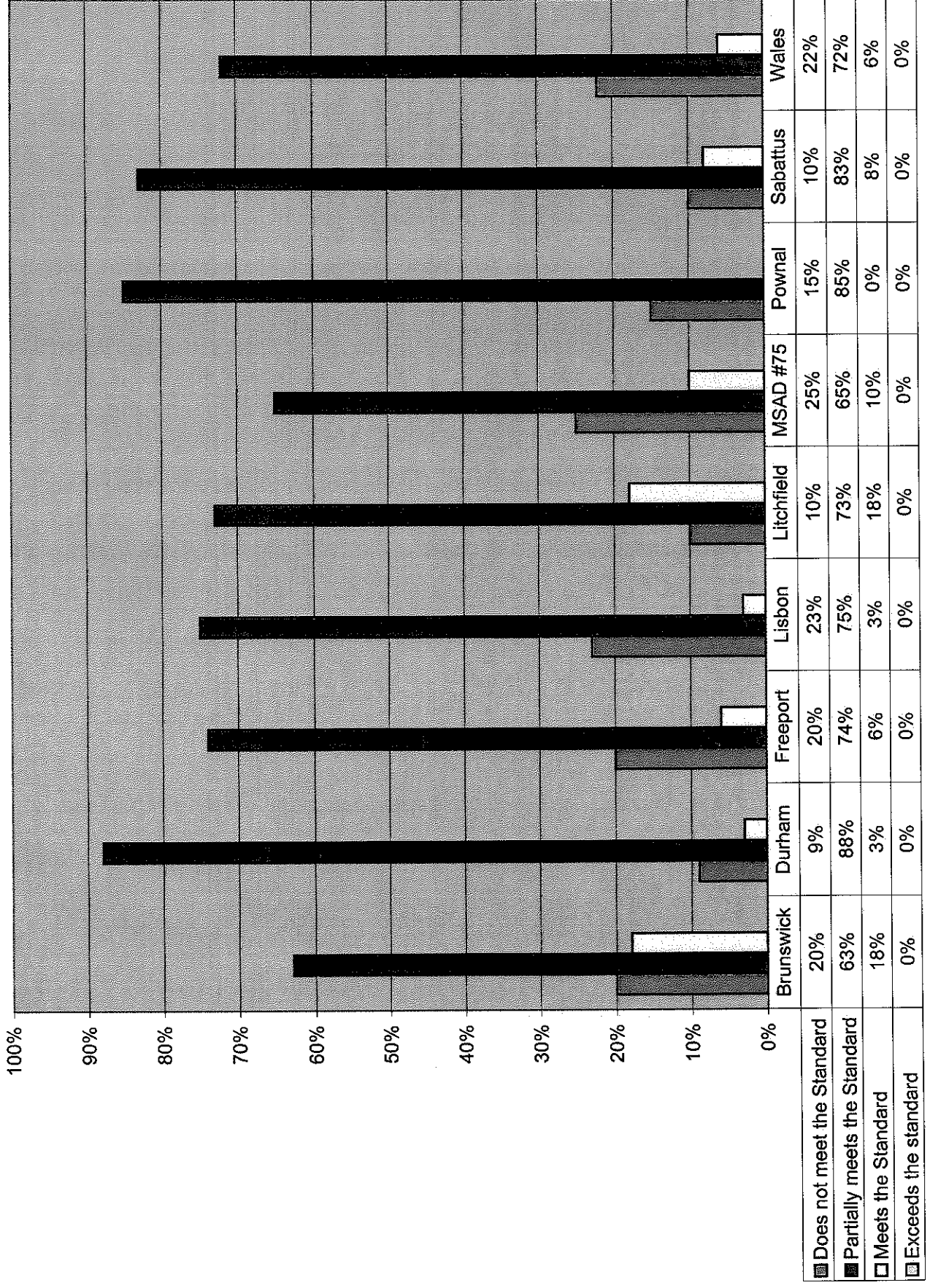


# MEA Fourth Grade Reading Scores 2004/05

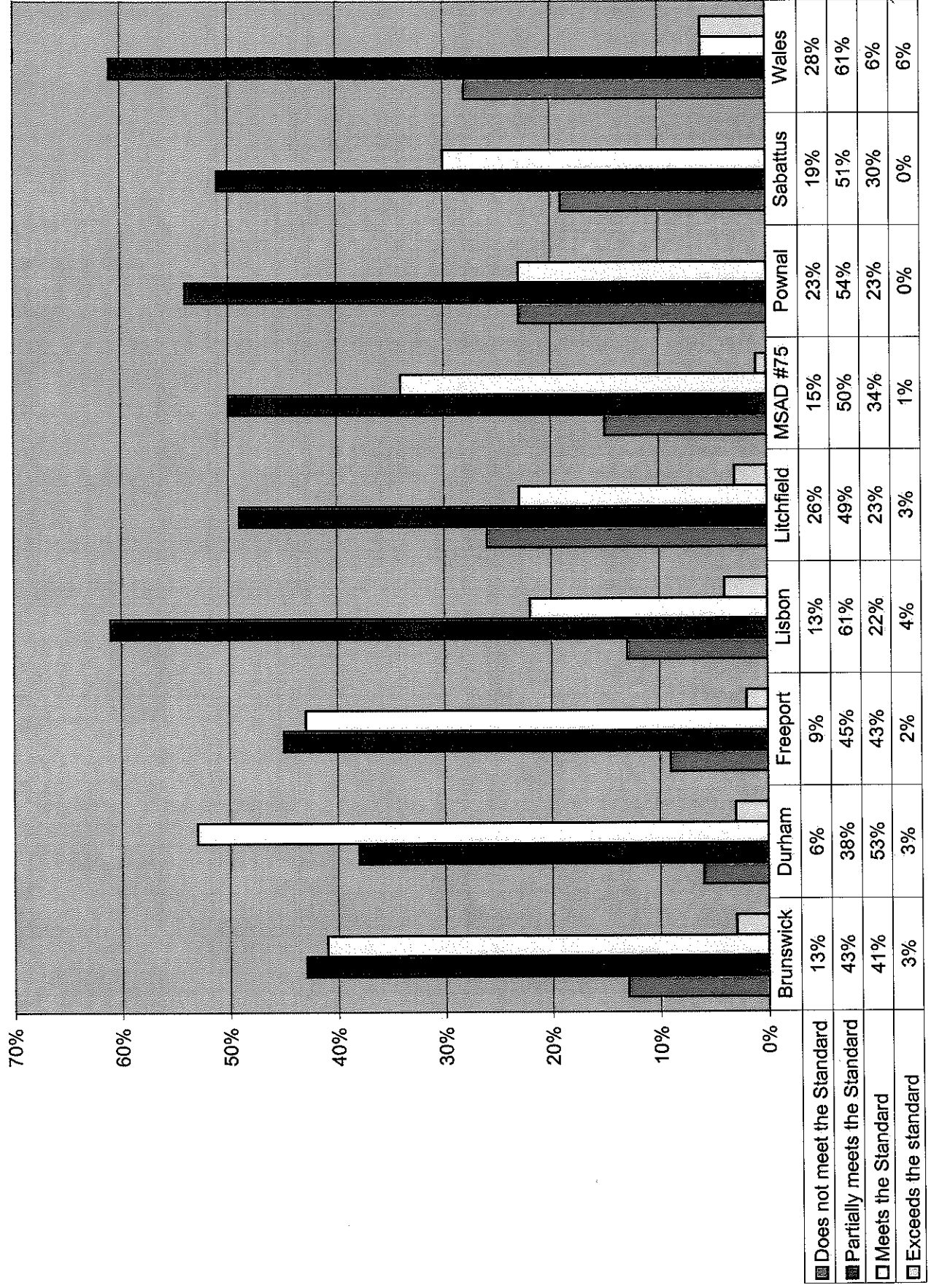




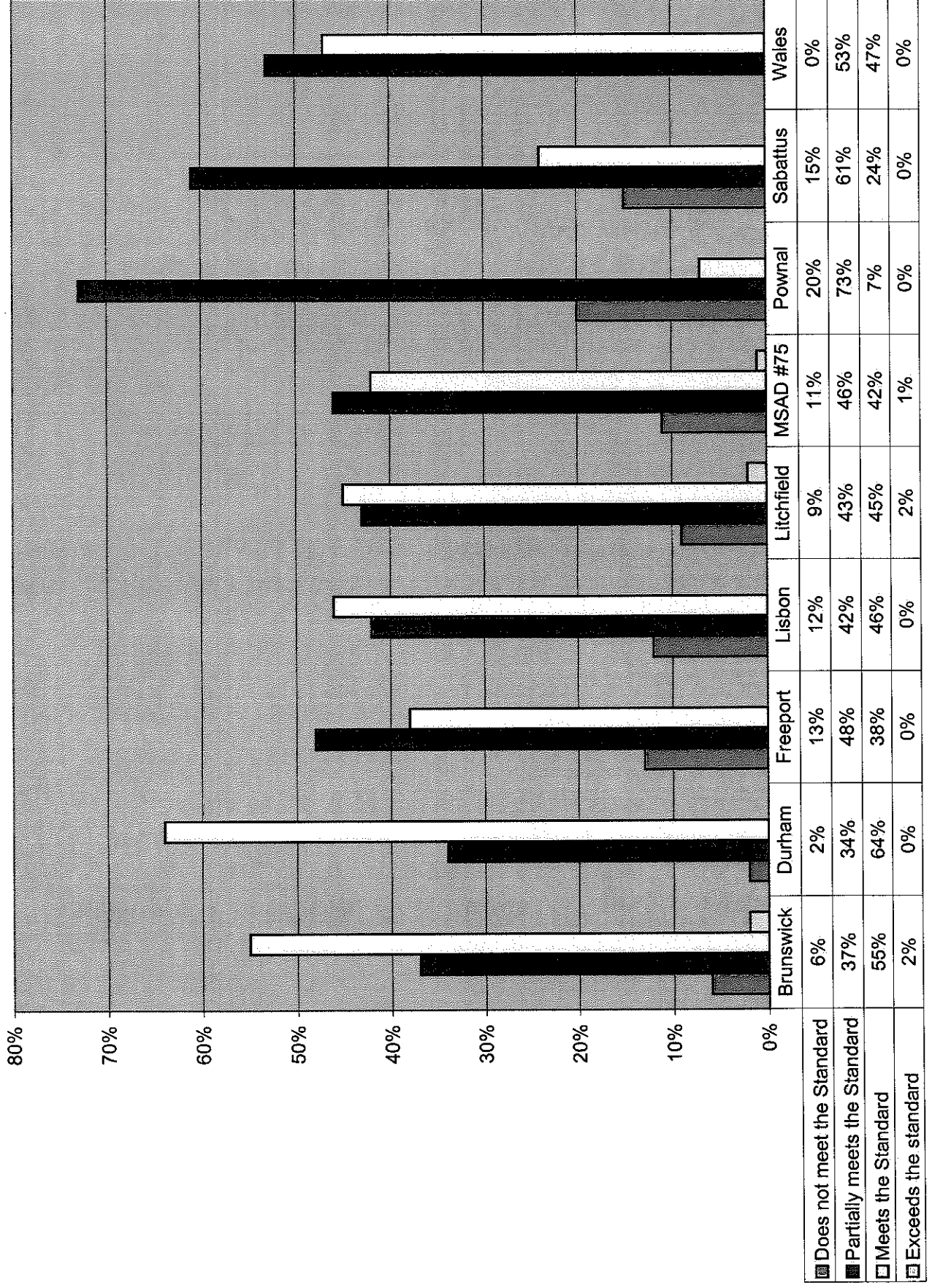
# MEA Fourth Grade Writing Scores 2004/05



# MEA Fourth Grade Math Scores 2004/05

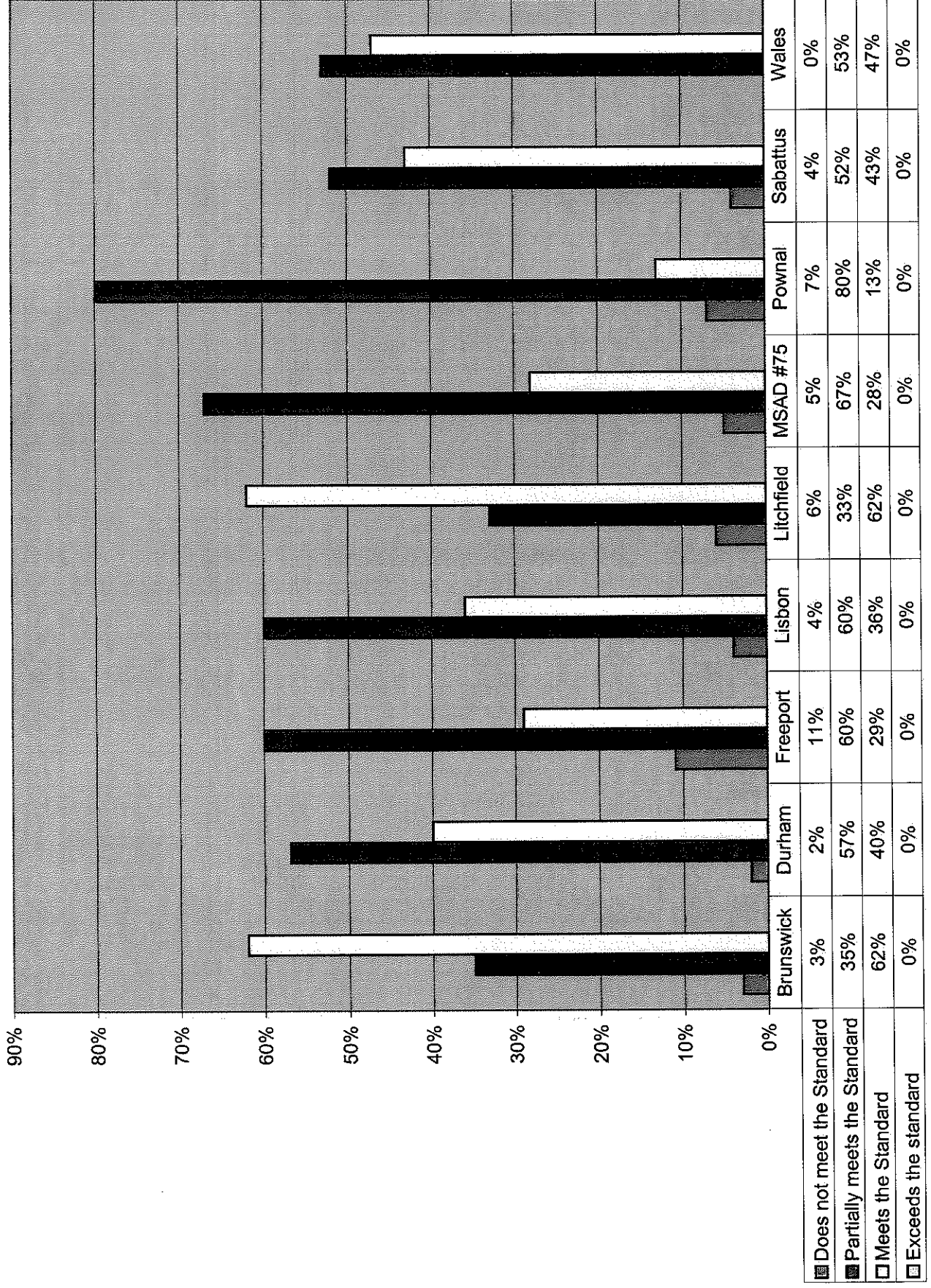


# MEA Eighth Grade Reading Scores 2004/05



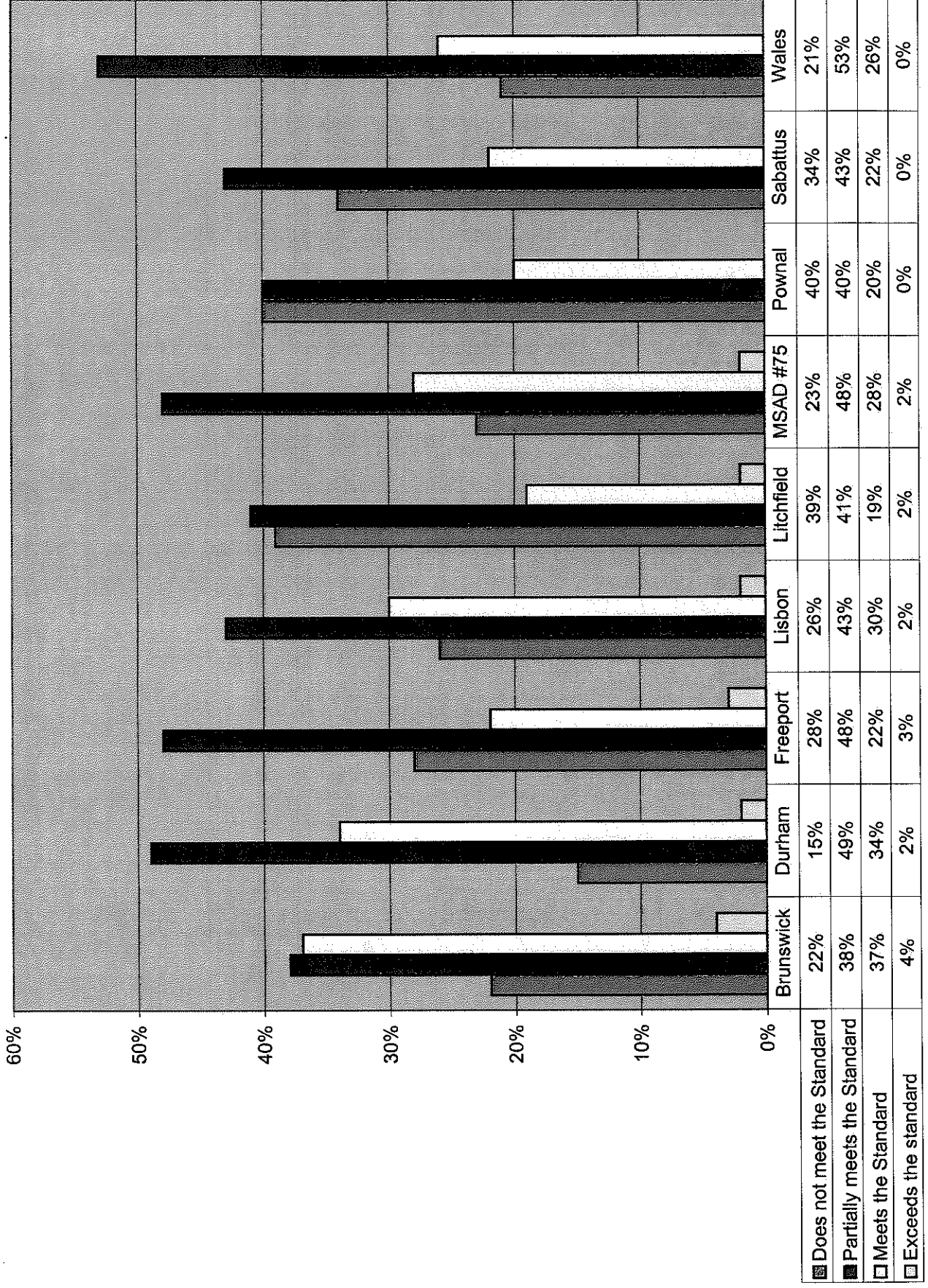


# MEA Eighth Grade Writing Scores 2004/05

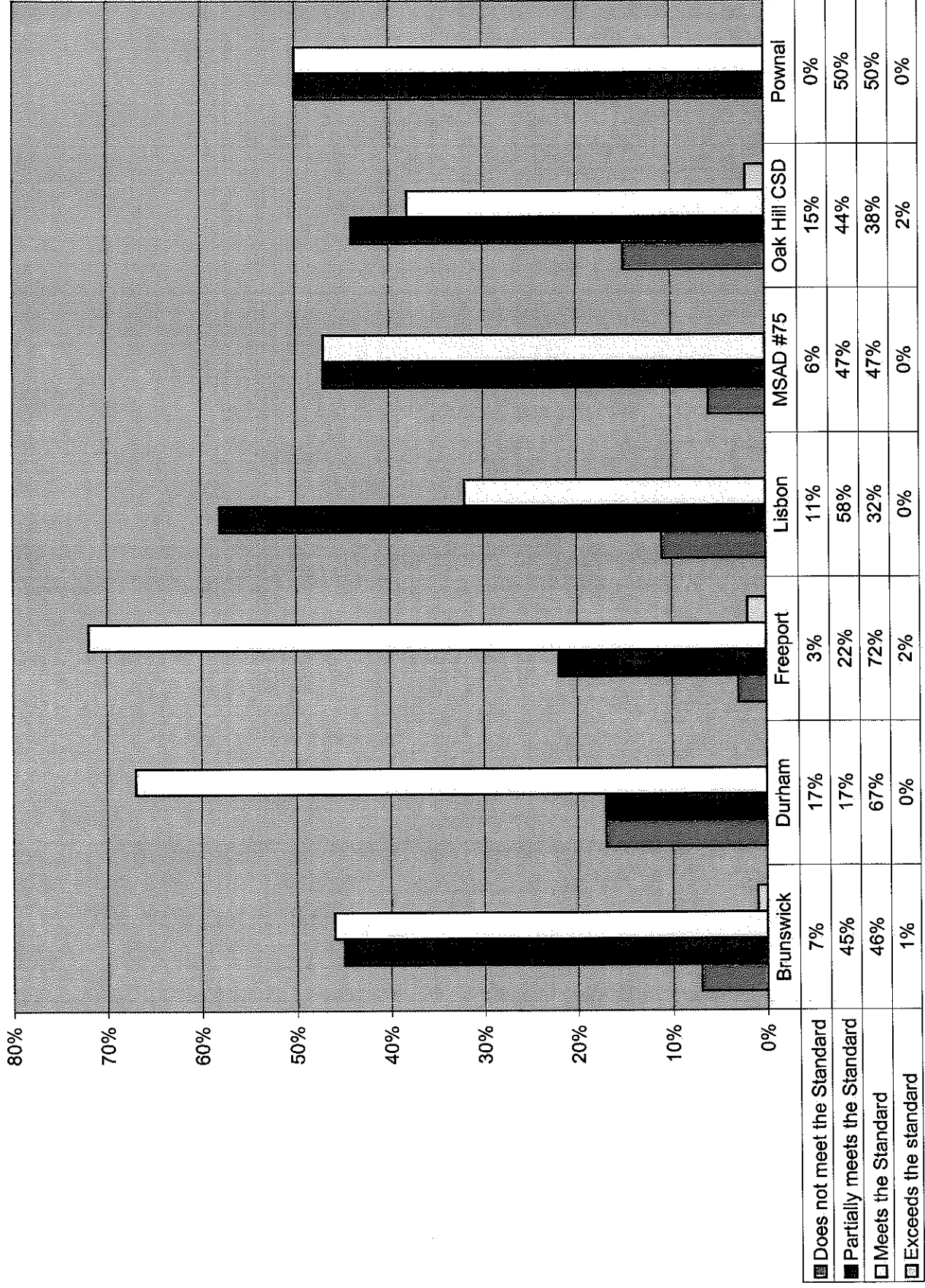




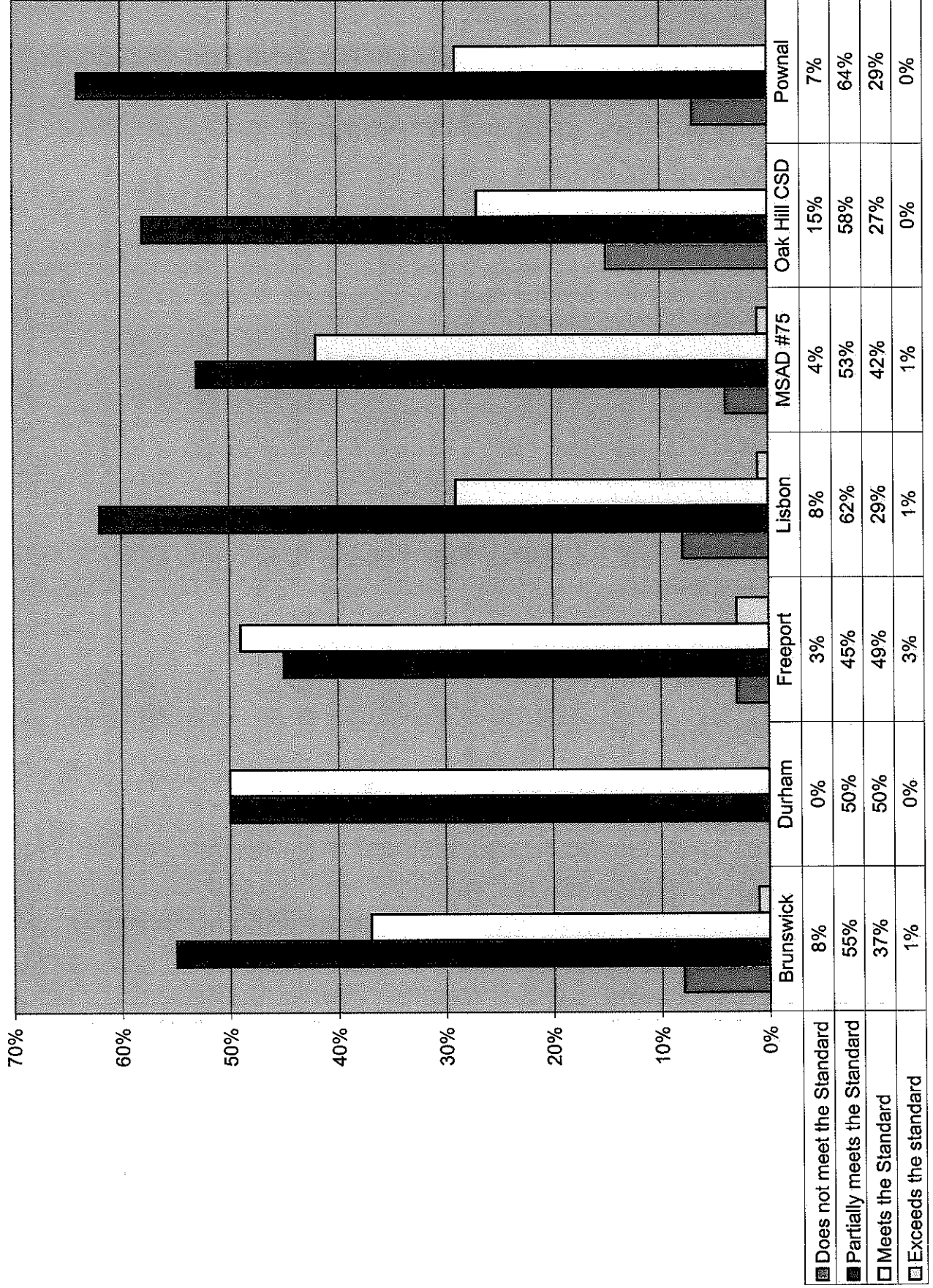
# MEA Eighth Grade Math 2004/05



# MEA Eleventh Grade Reading Scores 2004/05

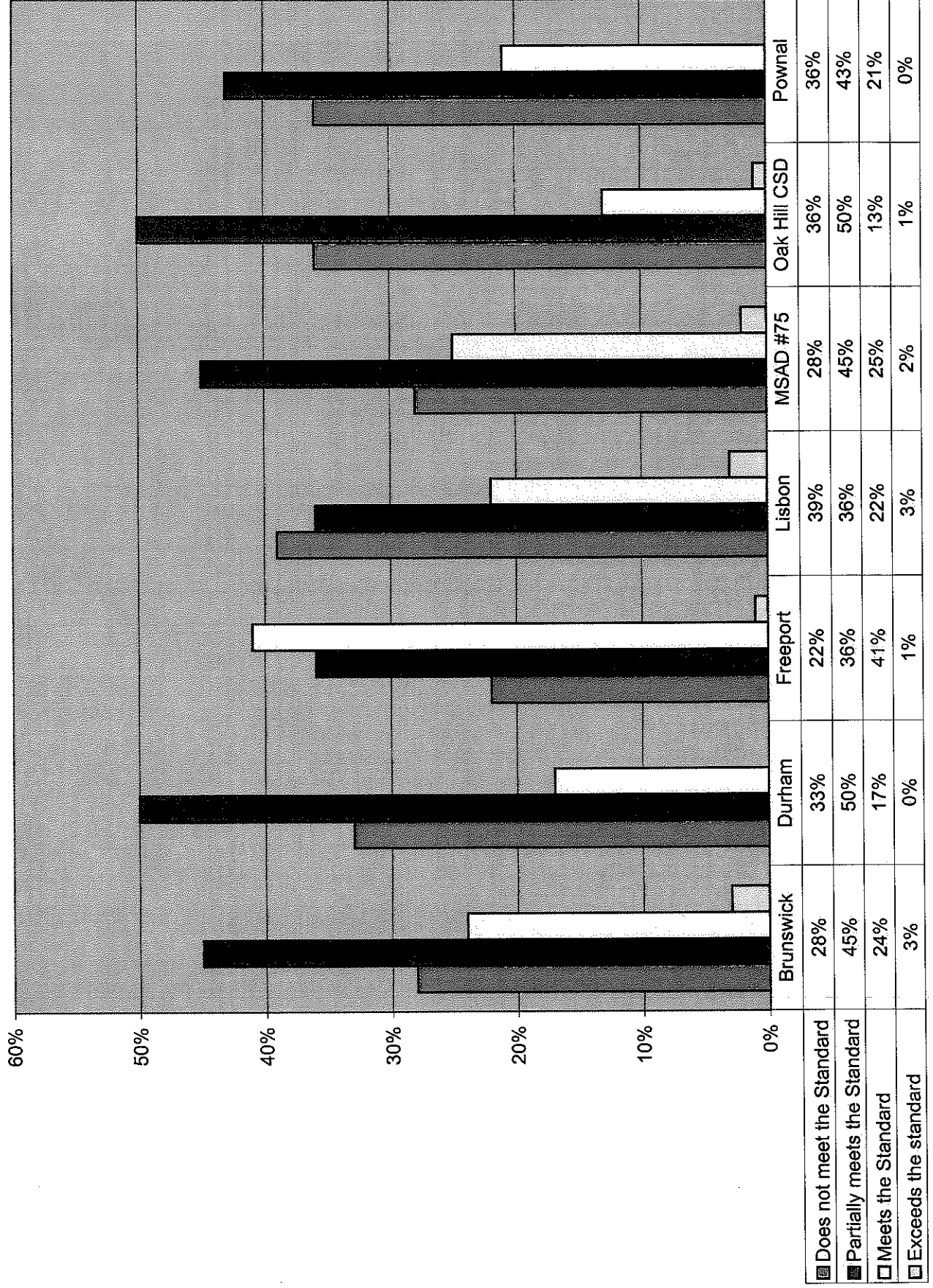


# MEA Eleventh Grade Writing Scores 2004/05





# MEA Eleventh Grade Math 2004/05



# 2002-2003 Minimum & Maximum Salaries for Teachers with Bachelor Degrees

